

WAY CLEAR NOW TO
BEGIN DIGGING SUBWAYSContracts To Be Let Wednesday
and Start of Work Is Sure
by September.

INTERBOROUGH IS OUT OF IT

President Shonts Says Modifica-
tions Offered to His Company
Are Not Vital—B. R. T.
Eager to Proceed.

Developments in the transit situation yesterday made it certain that the digging on the new and comprehensive system of subways would begin not later than September 1, and possibly by August 1. This assurance has been attained after negotiations lasting for a period of nearly six months.

President Shonts indicated yesterday afternoon, after he had been formally informed that the Board of Estimate had unanimously passed the report of the conference committee and the Public Service Commission, that the Interborough Rapid Transit Company was "through." He said that the modifications offered to his company in the report were not vital and would not cause a withdrawal of the declaration of his company.

This fact assured, the course of subway building is clear. On Wednesday the Public Service Commission will let contracts for six of the sections of the tri-borough route, taking in Lexington avenue between 26th and 104th streets, bids for which have been in hand for some time.

On Thursday, July 6, the Board of Estimate will formally order the preparation of contracts with the Brooklyn Rapid Transit Company for the equipment and operation of the lines to fill out its comprehensive system, including the lines not formally given to the Brooklyn Rapid Transit yesterday because of the desire to give the Interborough one more chance to take them, as outlined in the McAneny-Willcox report. The board will at the same time formally approve the contracts for the construction of the tri-borough sections that will have been received from the Public Service Commission.

Contractors Ready for Work.

Contractors have sixty days in which to begin work after the signing of contracts, but it is believed that the lowest bidders on contracts Nos. 6 to 11, the ones to be let, will be in a position to begin work within thirty days. These bids are as follows:

Section	Bidder	Bid
No. 6—Bradley Contracting Co.	PARSONS	\$5,814,218.50
No. 7—Charles H. Beckwith	PARSONS	2,750,483.40
No. 8—Bradley Contracting Co.	PARSONS	2,569,464.30
No. 9—Bradley Contracting Co.	PARSONS	2,447,472.50
No. 10—Bradley Contracting Co.	PARSONS	2,273,072.50
No. 11—Bradley Contracting Co.	PARSONS	2,132,186.00

This gives the Bradley Contracting Company contracts for \$15,836,445.25, out of a total of \$15,856,908.55.

This much done on Thursday, the Public Service Commission can go ahead with the letting of the contracts for the other sections of the tri-borough that fit into the offer of the Brooklyn Rapid Transit, and they can be approved at a special meeting of the Board of Estimate, which will probably take its summer recess after the next meeting.

Having decided that the Interborough Company was out of the present subway situation, President Shonts yesterday afternoon said that he was free to discuss the negotiations. He talked with the newspaper men for more than an hour, going into details. There lay on his desk at the time the following brief communication:

THEODORE P. SHONTS, Esq., President Interborough Rapid Transit Company, No. 165 Broadway, City.

Dear Sir: In behalf of the conference committee of the Board of Estimate and Apportionment and the Public Service Commission, we have the honor to hand you herewith copy of a report of the conference committee of the Board of Estimate and Apportionment, the recommendations of which were adopted by that body at a special meeting held this morning. Yours very truly,

WILLIAM R. WILLIAMS, Chairman.
For the Public Service Commission for the 1st District.

For the special committee of the Board of Estimate and Apportionment.
GEORGE M. XENY, Chairman.

This letter was identical with the one sent to President Williams of the B. R. T.

Interborough Out of It.

"We are out of it," said President Shonts. "These modifications allowed are not vital. I have just tried to get in touch with J. P. Morgan, Jr., representing our bankers, and found that he was out of town and would not be back before Wednesday. So we could not possibly consider these modifications before July 6. But it does not make any difference. We are through. We cannot be expected to get money to finance the proposition if the B. R. T. is permitted to parallel our lines."

In addition to this vital objection to the proposition as outlined by the city President Shonts indicated three others that he considered of importance. They were the per passenger basis, as opposed to the car-mile basis, the terms that would burden the present subway with taxation, and the provisions for the division of miscellaneous income.

President Shonts said that when his company began negotiations with the city's conferees he indicated a certain sum for net profits as a margin of safety and terms that would provide less than that could not be considered. But the conferees insisted on giving Broadway to the Brooklyn Rapid Transit, which would have lopped off \$5,000,000 from the margin, and then wanted to lop off more.

If the city now wanted to go ahead and complete the Interborough "H" with city money, President Shonts declared, he had no doubt his company would be a bidder for the construction and operation of the lines. After discussing the various offers that had been made the head of the Interborough said the most advantageous solution of the question, so far as his company was concerned, was to let the city build the line.

Our Police

have recently had their three platoon system restored to them.

The routine of their day's work will be fully explained and whimsically illustrated in Sunday's Tribune

MASKED MEN ROB TRAIN
IN PENNSYLVANIADozen Bandits Rifle P. & E.
Express and Mail Cars
Near Erie.

PASSENGERS FIRED UPON

Train Crashes Into Obstructions—
Man Hurlled Down Embank-
ment and Badly Injured
Three Trainmen Hurt.

Erie, Penn., June 30.—A fast mail and passenger train on the Philadelphia & Erie Railroad was held up to-night five miles from this city by a band of a dozen masked men. The mail and express cars were rifled and three of the crew, C. H. Block, of Erie, mail clerk, H. D. Rooney, also of Erie, conductor, and C. F. Bemis, a brakeman, were wounded.

Block was shot in the right side and was taken to a hospital in a dying condition. Rooney received serious injuries when he was hit with a stone thrown by one of the robbers.

Railroad officials are unable to make an estimate of the value of the booty obtained by the bandits, but it is probably considerable, as the mail and express cars were stripped of their contents.

The train was due in this city at 10:10 o'clock to-night. A few minutes before 10 o'clock, when the train was making a big curve, the engineer saw an obstruction ahead. He stopped the train with all possible speed, but not before it crashed into ties and telegraph poles that had been placed across the track.

Opened Fire on Passengers.

When the train hit the obstruction it was first believed by the passengers that there had been a collision with another train, and as it came to a standstill several of the passengers alighted, to ascertain the trouble. Their presence drew the fire of the band of masked men, and there was a stampede to re-enter the cars.

Carl Anderson, of Renova, Penn., a salesman and a passenger on the train, who, braver than the rest, caught hold of one of the robbers, was poked up bodily and thrown over a 300-foot embankment. His condition is serious. Anderson's face and body were badly cut and his clothing was torn from his back. He was taken to a hospital in an unconscious condition.

Almost before the train had stopped the masked men had taken up their positions at practically every entrance to the cars. When the passengers began pouring from the train there were a few sharp cries from the men to "Get back into the cars." When a number of the excited passengers failed to take this advice the bandits opened fire. They shot along the sides of the cars, level with the windows, and this effectively put an end to the curiosity of the passengers.

Within the cars there was a panic. A number of women fainted, while the screams of others caused much confusion.

Engineer and Fireman Seized.

When the train stopped the engineer, Albert Carey, and his fireman climbed down to investigate. They were immediately seized by masked men, who with revolvers made the two men get back into the cab. Two of the robbers then climbed aboard and kept guard over them.

By this time passengers were beginning to leave the train, and a part of the band began firing their revolvers close to the heads of the frightened men and women. Meanwhile two or three of the robbers paid strict attention to the mail and express cars.

Block, the mail clerk, thrust his head from the door of his car and began firing. He was met with a volley from the pistols of the robbers, and fell, shot through the side. In a moment several of the masked men were in the car rifling mail bags open.

C. F. Bemis, a brakeman, rushed from one of the coaches into the mail car. He had no more than reached the door when he fell with a bullet through his arm. The robbers then kicked Bemis out of the car. Rooney, the conductor, fired four shots at the men, all without any apparent effect. One of the bandits hurled a stone at Rooney. It struck him on the head and he dropped. Later he recovered and made his way to a telephone, one mile from the robbery, where he reported the holdup.

With all the members of the crew either injured or under guard, the robbers rifled the cars.

Finally the masked men backed away from the train toward the woods, firing frequently as they went. For some time the passengers feared to come out from the cars.

It is believed that the robbers had intended to wreck the train, as no light had been swung across the track. The train arrived in this city about midnight. The passengers were dazed from fright and could not give a connected story of what had taken place. Many of the women were hysterical and required attention.

It is believed the bandits were forerunners, as thousands of them live near where the hold-up took place.

Late to-night the surrounding country was dotted with men with lanterns searching for the men and contents of mail bags and valuable packages taken from the train.

Flora Bitters, delicious appetizer and tonic.

HARVARD CREW FINISHING ALONE IN RACE WITH YALE WHILE AVIATOR AND OTHERS LOOKED ON.



THE HARVARD VARSITY CREW JUST BEFORE PULLING TO THE START.

HARVARD LEAVES YALE
CREW FAR ASTERNCrimson Eight Sweeps Across
Finish Line Eighteen
Lengths in Front.

GORGEOUS SETTING FOR RACE

Thousands Look on from Trains,
Yachts, Boats and Shore,
Yes, Even from an
Aeroplane.

(By Telegram to The Tribune.)

New London, Conn., June 30.—Harvard rowed Yale down to the worst defeat the Blue has ever suffered on the Thames River here this afternoon, sweeping over the finish line a full eighteen lengths in front of the New Haven eight, that dogged and plucky as ever in the face of a defeat that had been certain since the first quarter of a mile of the race, kept on struggling along, while cannon boomed and whistles shrieked to honor the magnificent Harvard crew that was lying on its oars beneath the railroad bridge to cheer its ancient enemy.

There was no Harvard sweep, however. The Yale freshmen saw to that in the first race of the day. Harvard won the varsity race for the fourth time in succession, and the varsity four for the third successive year, but a good lot of Yale cubs managed to give the Blue the first victory it has won before the great crowds of regatta day since 1907. It wasn't much, as Yale men felt when they sadly wandered about the town after the terrible defeat of the varsity crew, but it was certainly something, and it gave the diminished Yale crowds something to keep them happy in the hours of waiting for the big struggle of the day.

Yachts in Solid Line.

Never had race a more gorgeous setting. For a mile and a half the yachts were in a solid line on both sides of the course, and for a half mile further, clear up to the naval station, yachts and excursion boats were anchored. To cap it all, as the crews were nearing the flags that marked the first mile, there was a whirling above, and, like some great bird, Harry Atwood swept over the course in his Burgess Wright biplane, in which he had come from Boston in two hours and twenty-two minutes in the morning. Never very high, Atwood dropped as low as he dared once he had come up to the crews, for he flew upstream as they rowed down and soared along above them. Then back he came to the finish, first over the already triumphant Harvard eight, then over Yale; and when the race was over he gave an exhibition of flying that startled even those accustomed to the daring feats of Hamilton and his kind.

Circling once above the bridge, he swooped down and fairly skimmed the surface of the water between the yachts, saluted by the dipping of colors, the screeching of whistles and the cheers of all who saw him. So he flew for a mile, then up and over to the west shore, where he came to earth in the field that had received him when he arrived from Boston.

Striking Picture at Finish.

But even without the aeroplane there was a picture that even New London has seldom equalled in the past. Perhaps there were not so many Yale folk here as usual. A good many of them lacked the confidence that others had in the Blue crew. But there were enough to make a brave showing. Of Harvard men, women and children there were such thousands as have never been seen here before. This period of Harvard triumph is a new thing. It has taken a year or so for Harvard men to get used to it. But the time has arrived; they are used to the taste of victory now, and a quiet confidence was the keynote of their talk until it was all over, when quiet vanished from the race of this part of the earth to give way to a very loud clamor of noise of all kinds, all centering on a single point, the expression of a wild and hysterical joy.

The joy was natural. Again Jim Wray had proved himself a master among coaches, a teacher worthy to be ranked among the best. Again, too, he had proved that what happens in a two-mile race between Harvard and Cornell in May bears no relation to what will happen in a four-mile race in which

Continued on eleventh page.

SEE BOAT RACE FROM
ON HIGH IN BIPLANEHarry Atwood, with Mayor Ma-
han of New London as Pas-
senger, Follows Crews.

MAKES TRIP FROM BOSTON

Young Aeronaut, with Friend in
Machine, Is Said to Have
Broken Two Records in
His Long Flight.

(By Telegram to The Tribune.)

New London, Conn., June 30.—Harry Atwood, of Boston, flew last night from Boston to Plymouth and back, a trifling jaunt of eighty miles, in his Burgess-Wright biplane. Then he went to bed in his quarters near the Squantum aviation field. But he was nervous, didn't sleep well and so got up at 6 o'clock this morning, which is about the time he gets his morning newspaper.

"I couldn't see anything in the paper except this boat race," he said here this afternoon, having covered the intervening miles between Squantum and New London in his aeroplane meanwhile, "so I decided, being up early, to fly over here and take a look at the race from above. I never saw a boat race before and I wanted to see this one. They told me I couldn't get a seat on the observation train, and there wasn't any other way to see the race. So I'm here."

He was certainly here, and had brought a passenger, Joseph Fleet, along with him. He started from Squantum at 7 o'clock, and was circling above New London at 9:12 o'clock, looking for a place to land. He found a field that suited him ten minutes later on the west bank of the Thames, a mile above the finish line of the boat race between Harvard and Yale. He landed, and an irate farmer tried to shoot him away. But he soothed his unwilling host and was soon an honored guest of the town, pledged to take Mayor Mahan, who is also a state Senator and leader of the Democratic minority, up over the course during the "varsity race."

He and the Mayor, up in the biplane, saw the last three miles of Harvard's game of follow my leader with Yale, and Mr. Mahan was along when Atwood played some aerial tricks that made the crowds gasp. It didn't bother the Mayor. He said it was fine and the most delightful sensation of his life, and Atwood said he was an ideal passenger, cool and willing to trust himself entirely to the aviator. The Mayor had a great flight—undoubtedly a better one than Graham White once gave Mayor Fitzgerald of Boston—and it is safe to say that no Mayor ever saw a boat race from such a vantage point before.

"I've been flying about six weeks," said Atwood while he was resting after his little trip from Boston, which is said to be the world's record for continuous flight with a passenger as well as the American record for sustained flight with or without a passenger. "This is the hardest thing I ever tackled or am ever likely to tackle, and the most dangerous, in a way, because I didn't know the country and had made no special preparations. It was very bad flying, because for a good deal of the way there is an absence of good landing places in case of emergency."

CROKER FOR FIRE MARSHAL

Governor Expected to Appoint
Former Chief to New State Job.

(By Telegram to The Tribune.)

Albany, June 30.—It is now expected that Governor Dix will appoint ex-Chief Edward F. Croker of the New York Fire Department to the office of State Fire Marshal, which was created in a bill just signed by the chief executive. Chief Croker was a caller at the executive chamber to-day. He is considered the only logical candidate for the new office.

DAY LINE EXTRA SERVICE
is now operating. The second morning boat is ideal for one-day trips on the Hudson—Adm.

RESCUES THRILL VENTNOR
Lifeguards Save Miss Biddle,
Her Brother and J. Lalew, Jr.

Atlantic City, June 30.—Ventnor had a thrill late this afternoon, when Livingston Ludlee Biddle, fifteen years old, and Miss Cordelia Biddle, seventeen years old, brother and sister of Anthony J. Drexel Biddle, and James Lalew, Jr., were near death in the ocean off Dorset Place.

They were swimming. Young Biddle was swept away from the side of his sister by the strong current. She bravely swam after him, and after a hard struggle succeeded in reaching him. Both, however, were caught by the current, and were unable to fight the undertow.

Lalew risked his life to go to their assistance, and he, too, was gripped by the current. They were carried out a long distance before Harvey Conover and Frank Brady, lifeguards, reached them, with buoys.

Scores of wealthy cottagers aided in dragging the two guards and their burdens ashore by the life line. All were badly exhausted, but it was believed none will experience any ill results.

CAN FIX COMMUTATION RATE

Power Given Public Service
Boards in Law Signed by Dix.

Albany, June 30.—Power is given the public service commissions to fix and regulate commutation rates on railroads in a bill signed to-day by Governor Dix. The measure amends a section of the public service commissions law by making it conform with those sections relating to the power of the update commission over telephone and telegraph corporations. In approving the measure the Governor said:

In fixing the standard upon which the commission shall determine the just and reasonable rates, fares and charges for certain classes of railroad transportation, this bill provides that the commission shall do so with due regard, among other things, to a reasonable average return upon the value of the property actually used in the public service.

Recommendation is made by the Governor that further legislation should be enacted to make the sections of the law relating to gas and electrical corporations consistent with those regarding telephone, telegraph and railroad companies.

HAROLD VANDERBILT IN ROW

Miss Sears, His Companion, En-
joys Fight with Camera Man.

(By Telegram to The Tribune.)

New London, Conn., June 30.—While Harold Vanderbilt and Miss Eleanor Sears, of Boston, were standing in the train shed of the railroad station here to-day, shortly before the "varsity boat race," a newspaper photographer endeavored to snap them, but Mr. Vanderbilt objected vigorously, and as a result he and the photographer clinched and mixed it up for a short time, while the crowd looked on and applauded.

The photographer's collar was torn, and Mr. Vanderbilt bore unmistakable evidence that he had been in a physical combat. Miss Sears, whom Mr. Vanderbilt was attempting to protect, stood near and appeared to be enjoying the spectacle. Two policemen separated the warriors but did not make an arrest.

BRITISH CRISIS IMMINENT

Five Hundred New Peers May Be
Created Next Week.

London, July 1.—A political crisis is nearer than is generally anticipated, unless the government organ, "The Daily News," which is generally correct, is mistaken. "The Daily News" says to-day that unless the peers accept honorable defeat and withdraw their amendments crippling the veto bill Premier Asquith or Viscount Morley, Lord President of the Council, next week will announce that the government will immediately invoke the prerogatives of the Crown. This means they would ask the King to create enough new peers to swamp the present House of Lords.

"The Spectator" strongly appeals to the Lords to accept the situation. It is better, the paper says, to accept the inevitable curtailment in powers than to have to swallow the same, plus an addition of five hundred new peers.

BRIDGE JUMPER SAVED
IN FIGHT ON GIRDERPatrolman and Two Other Men
Struggle Desperately with
Would-Be Suicide.

ANOTHER LEAPS VIADUCT

Hundreds of Persons See Young
Man Drop 125 Feet to Death
from Riverside Drive
Structure.

Grappling with a patrolman and an inspector and a motorman of the Brooklyn Rapid Transit Company, William Balst, in trying to end his life by jumping from the Williamsburg Bridge, came near pulling the trio with him last evening. The struggle was witnessed by hundreds of persons and traffic on the bridge was blocked for nearly half an hour. Balst was finally subdued and taken to the Bedford Avenue police station, where he was locked upon a charge of attempted suicide.

Balst made his appearance on the footpath about one hundred feet west of the Brooklyn tower shortly after 6 o'clock. He climbed up over the guard rail and made a leap. His coat caught between two girders and he hung in the air.

Just then a Ralph avenue car, with twenty passengers, came in sight. Joseph Bauer, the motorman, and James Garvin, an inspector, hurried to Balst's rescue. Presently the three of them were struggling on the girders, and every minute it looked as if all would drop into the river. The shouts of the many lookers on attracted the attention of Patrolman Driscoll, of the Williamsburg Bridge station. Realizing that his well-laid plans would be frustrated Balst now fought harder than ever. By putting one arm around the girder Driscoll finally succeeded in getting his billy, and with this stunned the would-be suicide, and with the assistance of Bauer and Garvin got Balst to the roadway.

Dr. Goldstein, of the Williamsburg Hospital, was called, and after working over Balst for several minutes revived him. When he was taken to the police station he told the lieutenant that he had no home, no work and no friends, and decided to do away with himself.

An unidentified man about thirty years old climbed on to the parapet on the west side of the Riverside Drive viaduct at 129th street late yesterday afternoon and jumped off. He struck on his feet 125 feet below, and was unconscious when Thomas Hoshelmer, a life saver attached to the recreation pier at 129th street, got there. Dr. Harrington, of the J. Hood Wright Hospital, found the man's leg bones had been driven up into his body and his knee joints had been crumpled. He died before he was lifted to the ambulance.

In his pocket a card was found, bearing the name "G. R. Van Lath." Another card bore the inscription, "G. M. Van Lath, dealer in high grade paintings, No. 141 Broadway." In the sweatband of the hat worn by the man the name "G. R. Van Lath" had been written in ink. The hat had been purchased from P. C. Cipson in Okmulgee, Okla. The man had blue eyes and dark brown hair and mustache.

The viaduct was crowded with pedestrians, motors and buses when the suicide jumped. Crowds of men and women leaving the Fort Lee ferry, the Coney Island and Albany Day Line boats and the recreation pier saw his body hurtle through the air. This is the sixth suicide on the viaduct in the last five years.

BOSTONIANS AT WESTMINSTER.

London, June 30.—The visiting business men from Boston were guests at luncheon to-day of Raymond Unwin at Hampstead. Later they made a close inspection of Hampstead's "garden city." Returning to Westminster they were entertained in the House of Commons by John Redmond.

A SANE FOURTH OF JULY.
Celebrate With Dewey's Pure Wines.
H. T. Dewey & Sons Co., 133 Fulton St., N. Y.

U. S. STEEL'S VAST
POWERS SHOWNDominates Industry Through
Practical Monopoly of Ore,
Corporation Bureau Reports.

PROFITS OF 12 PER CENT

Organized to Restrict Competi-
tion and Heavily Overcap-
italized—Much "Water"
Eliminated.

FEATURES OF STEEL REPORT.

First—The marked development of consolidation, culminating in the organization of the United States Steel Corporation.

Second—Capitalization by the United States Steel Corporation far in excess of property values. The bureau's valuation of the tangible assets in 1901 is \$682,000,000, as against \$1,400,000,000 of issued securities.

Third—An analysis of the cost of additions to the property of the corporation shows a total investment in tangible property on December 31, 1910, of \$1,187,000,000, as against \$1,468,000,000 outstanding securities.

Fourth—An average rate of profit from 1901 to 1910 on the corporation's actual investment of 12 per cent.

Fifth—An almost continuous decrease in the corporation's proportion of the output of principal steel products, but a marked increase in its ownership or control of iron ore deposits.

(From The Tribune Bureau.)

Washington, June 30.—In an exhaustive report on the steel industry in the United States, prepared by Herbert Knox Smith, Commissioner of Corporations, the monopoly of a large share of the industry by the United States Steel Corporation is asserted, although this monopoly appears to be the result of the ownership of those things which are natural monopolies, such as railroads, ore fields, etc., quite as much as of an effort by combination to control the industry or restrain trade. The report makes no recommendation and is almost wholly narrative in form.

Mr. Smith declares that restriction of competition was a prime object of the organization of the Steel Corporation. Capitalized at \$1,400,000,000, the corporation, he asserts, had tangible property worth only \$682,000,000. By a constant reinvestment of earnings, however much of the "water" has been eliminated.

The present value of the corporation's tangible property is placed at \$1,187,000,000, as against \$1,468,000,000 in outstanding securities, an increase of about \$487,000,000 in property, while only about \$60,000,000 has been added to capitalization.

Owns 75 Per Cent of Lake Ore.

Mr. Smith shows the enormous power the corporation possesses through its control or ownership of ore beds and right of way, which are natural and inevitable monopolies in themselves. It now owns 75 per cent of the lake ore, having recently concentrated its efforts on securing these properties. On this point the report says:

Indeed, in so far as the Steel Corporation's position in the entire iron and steel industry is concerned, the report is chiefly through its control of ore holdings and the transportation of ore.

Despite its vast holdings, its extensive control under lease of the beds and its ownership of railroads, Commissioner Smith asserts that the Steel Corporation is not without competition, but, on the contrary, the competition has been steadily increasing—an assertion which seems to be supported by the resort of subsidiary companies of the corporation to price pooling, as is alleged in the indictments returned in New York. The report, however, has played no part in the prosecutions undertaken by the Department of Justice or in any action which may be contemplated by that department.

Co-operation Modifies Competition.

The Commissioner finds that competition, so far as prices are concerned, has been modified by the policy of "co-operation" established at the so-called "Gary dinners."

Commissioner Smith recites the history of the industry, the formation of the United States Steel Corporation, its acquisition of the property, or of a controlling interest, in competing corporations, and says:

The fundamental causes for the formation of the United States Steel Corporation were substantially the same as those which gave rise to the earlier consolidations—namely, restriction or prevention of competition, integration and stock inflation.

And further along he says:
It is evident, therefore, that, both from the point of view of the iron and steel industry and that of the stock market, there was a great inducement to avert the back of it, and also a considerable fraction, say, from one-fifth to two-fifths, of the preferred stock was likewise unprotected by physical property. Even granting that there may have been a considerable value in intangible considerations, it is reasonably clear that at least the entire issue of common stock, except in so far as what may be termed "merger value" as may be considered, represented nothing but "water."

Tracing the financial manipulation of the corporation and its securities, the Commissioner, arrives at the following conclusion:

The figures show clearly that the entire issue of approximately \$508,000,000 of common stock of the Steel Corporation in 1901 had no physical property back of it, and also a considerable fraction, say, from one-fifth to two-fifths, of the preferred stock was likewise unprotected by physical property. Even granting that there may have been a considerable value in intangible considerations, it is reasonably clear that at least the entire issue of common stock, except in so far as what may be termed "merger value" as may be considered, represented nothing but "water."

Overshadowed All Competitors.

The report says that from the beginning the corporation has overshadowed its principal rivals, even exceeding all its

Continued on fourth page.